

Alberta LABOUR NEWS

PUBLISHED BY ALBERTA LABOUR

DECEMBER 1987



Office of the Minister

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Dear Reader:

Welcome to the inaugural issue of Alberta Labour News, a publication designed to provide you with an ongoing overview of the development and implementation of Alberta's new Labour Code.

It has been over a year since your Government commenced the process of developing amendments to the province's Labour Legislation — a process that set out a comprehensive basis for employer-employee relationships reflecting the 57 recommendations contained in the Final Report of the Labour Legislation Review Committee.

The Committee, which represented labour, management and the public-at-large, released its final report earlier this year. The report was placed before the general public for input which, when received, played an important role in drafting the new Code. Amendments embodying the majority of the Committee's recommendations have been made to the Employment Standards Act and the Labour Relations Act which, upon proclamation as a single statute, will be called the Labour Code.

On June 17, 1987, the Labour Code was introduced in the Legislature and received First Reading.

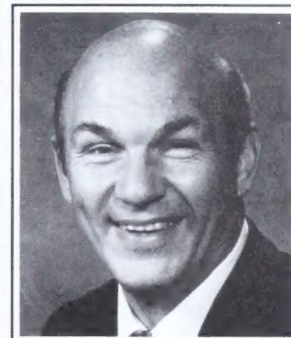
The purpose of introducing the Code — Bill 60 — at that time was to allow adequate time for public input.

With the last of this input to have been received by November 30, the Legislation will be introduced with amendments in the 1988 spring sitting of the Legislature.

The importance of this Legislation to all Albertans reflects the need to take the time to do it right.

Yours truly,

Dr. Ian Reid
Minister of Labour



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"The process for allowing adequate time for public input into Alberta's new Labour Code will result in the Bill being introduced with amendments in the 1988 spring session of the Legislature."

Labour Code Highlights Fairness And Equity For All

Alberta's new Labour Code has been carefully drafted in recognition of the need to balance the rights and obligations of employees and employers.

As a reflection of this, the Code has a Preamble designed to capture the spirit of the Bill.

The Labour Code's Preamble reads:

(Preamble continues on page 4)

WHEREAS it is recognized that a mutually effective relationship between employees and employers is critical to the capacity of Albertans to prosper in the competitive world wide market economy of which Alberta is a part; and

WHEREAS it is fitting that the worth and dignity of all Albertans be recognized by the Legislature of Alberta through legislation that encourages fair and equitable resolution of matters arising in respect of terms and conditions of employment; and

A Guide To Your Labour Code

- **The practice of an employer and his/her employee(s) agreeing to time off in lieu of overtime will continue.**

As the process of public input evolves, specific sections of the Labour Code requiring clarification have been identified.

As a guide to the Labour Code, *Alberta Labour News* will deal with many of these issues in an effort to clarify the intent of the legislation and, where appropriate, indicate where changes will be made. Some of the misconceptions have been created by confusion in wording. In these cases, re-drafting of the section or clause will take place in an effort to clarify meaning and clear up misinterpretations.

In this inaugural issue, Employment Standards related issues will be discussed. Labour Relations issues will be discussed in future reports.

1. "CHRISTMAS TURKEY" CLAUSE

There has been some misconceptions under these sections of the Bill that "traditional or informal" benefits received by employees (i.e. annual golf day, Christmas bonus, Christmas turkeys) will become a legal requirement.

This is not the case.

These sections are not intended to enshrine custom, practice or agreement but rather ensure that entitlements granted by an employer to his/her employee(s), which may be greater than the minimum standard provided for in the Labour Code, will not be reduced at time of termination.

This does not remove the right of the employer to change that entitlement at any time providing the employee(s) have been notified.

The wording of these sections will be carefully reviewed to ensure that this intention is met.

2. HOURS OF WORK AND OVERTIME PAY

There has been concern expressed under the section of the Bill dealing with "Hours of Work and Overtime Pay" that an agreement allowing for time off in place of overtime pay will not be permitted.

This is not the case.

The practice of making overtime agree-

"Some misconceptions in Alberta's new Labour Code have been created by confusion in wording. In these cases, redrafting of the Legislation will take place to clear up misinterpretation."

ments (overtime pay and time off in lieu of overtime) a condition of employment will cease with the introduction of the Labour Code. The practice of an employer and his/her employees agreeing to time off in lieu of overtime may continue:

- As long as it is not a condition of employment;
- Accepted by the majority of employees affected by the agreement.

3. COMPRESSED WORK WEEK

There has been a concern expressed that this section of the Bill will adversely affect existing compressed work weeks or even eliminate some compressed work week agreements.

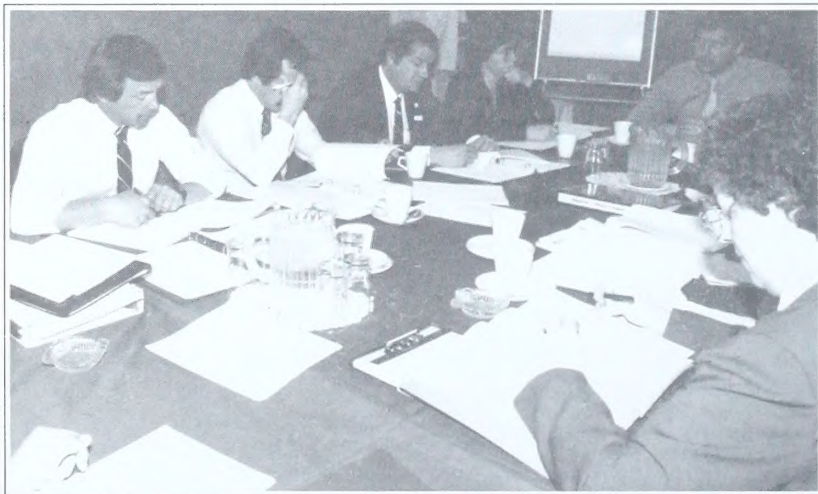
This is not the case.

The concept of the compressed work week (the 12 hour shift schedule) shall remain as an option to employers and employees when scheduling hours of work. However, when implemented, it must have majority employee support and the awareness of the Director, Employment Standards.

4. NOTICE OF TERMINATION OR PAYMENT IN PLACE OF NOTICE OF TERMINATION

The section of the Code that deals with "Termination of Employment" includes a clause referring to notification of termination. It

Below: The role of government in the bargaining process has been carefully restrained in Bill 60 while giving the parties involved the means and authority to deal effectively with each other. But the ultimate success of any negotiations is dependent on the commitment of the parties to each other's rights.



Avoiding misconceptions and misinterpretations

outlines a sliding scale of notice required relating to years of work (i.e. two-weeks notice after two years employment; four weeks notice after four years of employment, etc.)

There has been some misinterpretation that notice to long-service employees (i.e. eight weeks notice for 10 years employment) required eight weeks of pay.

This is not the case.

This section relates to notice, or pay in lieu of notice, and is designed to allow the employee time to seek other employment as he/she "works out" the notice term. It is not severance pay. The employer does have the option of using an equal sum of money in lieu of notice as outlined in the scale to initiate immediate termination. It does not affect exemptions currently provided from the notice of termination provision (i.e. "just cause" or unforeseeable or unpreventable circumstances).

5. NOTICE OF TERMINATION FOR REDUNDANCY OR ECONOMIC CHANGE

This section of the Code is designed to provide "an early warning system" (four weeks notice) pending termination of 50 or more employees to allow time for both the employee and the employer to be made aware of existing government employment adjustment and/or re-training programs to help cushion the layoffs.

There has been concern expressed that this provision of the Legislation requires notice regardless of the circumstances.

This is not the case.

It is the intent of this section to recognize that in some instances it may be impossible, because of extenuating circumstances, for an employer to provide the four week's notice. This section will be reviewed to ensure that this is made clear.

6. EMPLOYMENT STANDARDS OFFICER AUTHORITY

There has been some concern that Bill 60 is intended to allow for the reinstatement or compensation in lieu of reinstatement of an employee dismissed, terminated, laid off or suspended, in all instances.

This is not the case.

It is intended that only for the following reasons would reinstatement or compensation in lieu of reinstatement be applicable:

- The sole reason that garnishment proceedings are being or may be taken

against an employee;

- The employee has given evidence or may give evidence at any inquiry or in any proceeding or prosecution;
- The employee has requested or demanded anything to which he/she is entitled under the legislation.
- The employee has or is about to make any statement or disclosure required by him/her under the Legislation.

Bill 60 will be redrafted to make it clear that only the Director, Employment Standards, not Employment Standards Officers, will have the authority to order reinstatement or compensation in lieu of reinstatement.

7. REST PERIOD

This provision in Bill 60 is designed to provide an employee with an unpaid rest period of at least one half hour during five consecutive hours of work. The Bill provides flexibility in that the Director, Employment Standards, can permit an exemption and, as well, a test of reasonableness will apply. This provision does not apply where different rest provisions are contained in a collective agreement.

8. PAYMENT OF WAGES

Bill 60 was intended to require the payment of wages within seven days after the pay period cut off. With the ever increasing computer payroll technology, it was contemplated that this change from 10 to seven days could be accomplished with minimal disruption. Indications are that the implementation of this proposal is more complex than anticipated and it will be changed.

9. VACATIONS

In the section dealing with Vacations, Bill 60 is intended to recognize long service in that an employee, with at least five years of service, is entitled to an annual vacation of three weeks with pay. This section will be expanded to allow an employee with the permission of his/her employer, the flexibility to take up to one week of entitled vacation in increments of at least one or more days.

- ***Informal benefits such as golf days or Christmas bonuses will not become a legal requirement under the Code.***

"The concept of the compressed work week (the twelve hour shift schedule) shall remain as an option to employers and employees."

Fairness And Equality

(from page 1)

After clearly establishing a spirit of mutual respect and understanding in the Preamble, the Labour Code goes on to delineate three fundamental segments:

COMMUNICATIONS AND EDUCATION

This section deals with communications between employees and employers and with the education and development of reliable information upon which the parties can reasonably base their economic relationship.

EMPLOYMENT STANDARDS

This part of the Code covers such employment standards as hours of work, maternity and adoption leave, domestic employment, meal breaks, vacation pay, as well as a wide range of other basic requirements that are the responsibility of both the employee and the employer.

LABOUR RELATIONS

This third part confirms support for free collective bargaining while spelling out the framework for the bargaining process.

It re-confirms the status of employees during a strike or lockout, establishes enhanced mediation and streamlines the procedures before the Labour Relations Board,

WHEREAS the employee-employer relationship is based on a common interest in the success of the employing organization, best recognized through open and honest communication between affected parties; and

WHEREAS employees and employers are best able to manage their affairs where statutory rights and responsibilities are clearly established and understood; and

WHEREAS it is recognized that legislation establishing general employment standards and supportive of free collective bargaining is an appropriate mechanism through which terms and conditions of employment may be established.

thereby increasing the responsibility of both the employer/employees for their relationship.

The overall effect has been to carefully restrain the role of government in the bargaining process while giving the parties involved the means and authority to deal effectively with each other — their success dependent on the commitment to each other's rights.

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